

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 59th LEGISLATURE - REGULAR SESSION

COMMITTEE ON STATE ADMINISTRATION

Call to Order: By **CHAIRMAN LARRY JENT**, on January 13, 2005 at 8:00 A.M., in Room 455 Capitol.

ROLL CALL

Members Present:

Rep. Larry Jent, Chairman (D)
Rep. Veronica Small-Eastman, Vice Chair (D)
Rep. Joan Andersen (R)
Rep. Dee L. Brown, Vice Chair (R)
Rep. Mary Caferro (D)
Rep. Sue Dickenson (D)
Rep. Emelie Eaton (D)
Rep. Robin Hamilton (D)
Rep. Gordon R. Hendrick (R)
Rep. Teresa K. Henry (D)
Rep. Hal Jacobson (D)
Rep. William J. Jones (R)
Rep. Gary MacLaren (R)
Rep. Bruce Malcolm (R)
Rep. Alan Olson (R)
Rep. Bernie Olson (R)

Members Excused: None.

Members Absent: None.

Staff Present: Sheri Heffelfinger, Legislative Branch
Marion Mood, Committee Secretary

Please Note. These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing & Date Posted: HB 165, 1/5/2005; HB 166, 1/5/2005;
HB 150, 1/5/2005; HB 152, 1/5/2005
Executive Action: HB 18; HB 114; HB 150

HEARING ON HB 165**Opening Statement by Sponsor:**

REP. KEVIN FUREY (D), HD 91, opened the hearing on **HB 165**, Fixed term for student regents. He submitted written testimony.
[**EXHIBIT**\(sth09a01\)](#)

Proponents' Testimony:

Richard Roehm stated that while he is a member of the Board of Regents, he is testifying on his own behalf. **Mr. Roehm** advised that HB 165 defines and reduces the ambiguities in the present law, making the provisions contained therein clear cut. He added that it is crucial for the Montana Association of Students (MAS) to be involved in the nomination process and that the student regent has a close relationship with MAS leaders who represent some 30,000 students in the university system. He recounted the hard work and valuable contributions by past student regents with whom he had served.

Vinnie Pavlish, Student Body Vice President, University of Montana (U of M), made reference to the lawsuit brought by MAS against Governor Martz; at issue was the extension of student regent Christian Hur's term. Students want to know what rights they have under the law with regard to the appointment of a student regent, and how responsive that person has to be towards the student body. He lauded the opportunities provided in HB 165 which advocates one-year terms.

Patricia Bassett, Student Political Action Director, U of M, asked for passage of HB 165.

Bryce Bennett, U of M student, submitted written testimony.
[**EXHIBIT**\(sth09a02\)](#)

Jessica Grennan, Lobbyist, Associated Students of the University of Montana (ASUM), also provided written testimony.
[**EXHIBIT**\(sth09a03\)](#)

Ms. Grennan added that the governor currently has the right to appoint the student regent to a multi-year term, without the student body's stamp of approval; by having him or her appear in front of the student body annually, either as a first-time nominee or re-appointee, the student regent who should be the students' voice on the Board of Regents, is accountable to the student body. In closing, she advised that a one-year term would enable students of community colleges and two-year colleges to apply and serve as well.

Gerik Kransky, President, Forward Montana, rose in support of HB 165, stating that students of two-year colleges and colleges of technology deserved the opportunity to serve on the Board of Regents. The bill in no way limits the capacity of the student regent to do good work, on the contrary, it empowers more students and gives them the opportunity to lead.

Note: Due to inclement weather, some witnesses arrived late; the following proponent is heard on the tape after the first two opponents.

Gale Price, President, ASUM, supplied written testimony.

[EXHIBIT](#)(sth09a04)

Opponents' Testimony:

Megan Dumas, Lobbyist, Associated Students, Montana State University (ASMSU), stated that aside from the fact that current law already provides for a one-year term, such a short term would limit how much the student regent could accomplish; students start applying for the position in January and are appointed in May. She was also concerned with previous testimony which said that student regents would have the approval of MAS through the annual reappointment procedure; this simply was not in the bill as written. She encouraged the sponsor to amend the bill to provide the inclusion of MAS in the requirement process.

Connie Summers, Student Lobbyist, MSU-Billings, submitted written testimony. In addition, she pointed out that there is a four-year cap in current legislation but not in the new bill as written.

[EXHIBIT](#)(sth09a05)

Informational Testimony:

Kala French, Student Regent, offered to answer questions pertaining to the role of the student regent and the election process.

Questions from Committee Members and Responses:

REP. JOAN ANDERSEN, HD 59, FROMBERG, wondered whether students at two-year colleges were prohibited from serving as student regent. **Gale Price** replied that they were not prohibited but were often overlooked since the Governor oftentimes appointed a student regent for a longer term. The fact that any applicant had to have student status; i.e., be enrolled at the school, presented further problems because it limited those students to just one term. **REP. ANDERSEN** held that current law specified "not more

than four years;" it followed that technically, a student at a two-year facility would not be prohibited from running for the position. **Ms. Price** agreed but claimed that limiting the term to one year would give those students a better chance of being nominated. **REP. ANDERSEN** asked for clarification of the nomination process. **Ms. Price** explained that the last nomination process was devised by the Montana Associated Students (MAS), a statewide confederation of student governments; each campus sought out three to five candidates through various criteria. These candidates then were interviewed by the MAS who then made the nomination to the Governor. She added that this was subject to change, depending on the composition of MAS.

REP. ROBIN HAMILTON, HD 92, MISSOULA, recalled that Ms. Dumas had advocated that (MAS) be involved in the nomination process and asked if the provision on Page 2, Lines 1 and 2, was not specific enough. Ms. Dumas explained that the concern was with the reappointment process; the term "reappointment" was too ambiguous, and she feared that a one-year appointment could be renewed each year without the input of MAS. **REP. HAMILTON** surmised that Ms. Dumas wanted MAS to be involved specifically which she confirmed, adding that ASMSU had asked for an amendment which would alleviate this concern.

REP. ALAN OLSON, HD 45, ROUNDUP, asked Ms. Price to state MAS's position on these issues. **Ms. Price** replied that MAS has not yet discussed this policy since they meet every other month. From her conversations with the other presidents, though, she had gleaned that they wanted this issue resolved quickly, especially in light of the pending lawsuit against former Governor Martz.

{Tape: 1; Side: B}

She added that Legislative Counsel Greg Petesch had determined that an amendment was not necessary because the process included in statute applied equally to both the nomination and re-nomination process.

REP. A. OLSON commented on the perceived rivalry between U of M, MSU, and MSU-Billings. He wondered how this proposed legislation, had it been in place, might have prevented the problem surrounding the Christian Hur appointment and the subsequent lawsuit. **Ms. Price** replied that Christian Hur had been appointed to a two-year term; the students felt so strongly about the way he represented them that they would not have nominated him again. Before he was confirmed by the Montana Senate, Governor Martz extended his appointment to a third year. Had this bill been in effect, student approval would have been required, and Christian Hur would not have been re-nominated or appointed.

VICE CHAIR DEE BROWN, HD 3, HUNGRY HORSE, asked where she was currently enrolled, and **Ms. French** replied she was taking classes at both U of M and MSU. **VICE CHAIR BROWN** wondered where she was enrolled when she was appointed to serve as student regent. **Ms. French** stated she had was nominated by MSU.

VICE CHAIR BROWN wondered if this bill was based on the competition between the two major universities. **REP. FUREY** denied that it was.

REP. BERNIE OLSON, HD 10, LAKESIDE, inquired how long Ms. French had served as student regent. **Ms. French** advised that her term was in its seventh month. **REP. B. OLSON** asked that she give the panel some insight into the complexity of the issues she had to deal with, asking specifically if a one-year term was enough to effectively deal with these issues. **Ms. French** agreed that the learning curve was steep; it took time to get acquainted with the way the Board worked and with the issues involving the 11 campuses which make up the university system. She advised that aside from serving on the Board of Regents, she also served on the Board of Directors of several other organizations, including the Students Assistance Foundation, the Montana Higher Education Students Assistance Corporation, and the Montana Family Education Savings Program; each one involved its own orientation process and background reading. She declined to answer more specifically, citing the constraints she had. **REP. B. OLSON** wanted to know which High School she had graduated from, and **Ms. French** replied that she was a graduate of Flathead High School.

REP. HAL JACOBSON, HD 82, HELENA, inquired whether the sponsor was familiar with the history of the student regents' terms, and what the average length of term had been under current law. **REP. FUREY** did not know and referred to the Board's official web site which shows the name of each student regent and the length of his or her term.

REP. GORDON HENDRICK, HD 14, SUPERIOR, asked how many student regents had been selected from a two-year college. **REP. FUREY** indicated he did not know; he contended HB 165 was not necessarily about term limits because there was no cap on reappointment but required that the student had to be enrolled in a college or university while serving as student regent.

REP. SUE DICKENSON, HD 25, GREAT FALLS, asked Mr. Roehm about the nature of the conflict that led to students' dissatisfaction with student regent Christian Hur, and wondered if and how this alienation affected his work on the Board of Regents. **Mr. Roehm** advised that as Chairman of the Board during Mr. Hur's tenure, he

saw the process first hand: the initial selection, the reappointment, and then the lawsuit. He felt that during his first year, Mr. Hur had a close relationship with the student government and MAS. This seemed to change, though, during his second and third year, and the consensus was that he no longer represented the concerns of the students. Mr. Roehm witnessed an alienation by the student government which felt disenfranchised. He recalled three student regents who had served prior to Mr. Hur's term and who had done an outstanding job representing the students and tackling the complex issues before them. Each of them, in their respective one-year terms, provided tremendous assistance to the Board and insight into students' perspectives. In order to give them a chance to be more vocal, he moved them to the table in front of the Board, and he felt this was part of the reason for Mr. Hur's alienation from MAS.

REP. EMELIE EATON, HD 58, LAUREL, asked whether Ms. French would seek reappointment after having served just six months. **Ms. French** avowed that she would, saying that while it was a lot of work, it was very rewarding. **REP. EATON** wondered if she saw her dual enrollment as helpful or a hindrance. **Ms. French** stated that she found it helpful to know students in both schools, adding that she tried to attend all of the MAS meetings because of the insight students from different schools could provide.

CHAIRMAN LARRY JENT, HD 64, BOZEMAN, proposed the following change to the title of the bill: "An Act revising the term of the student regent; limiting the term of the student regent to one year; allowing ..." He claimed that this was more in sync with the intent of the bill and asked if the sponsor would permit such an amendment from the committee. **REP. FUREY** was not amenable to the chairman's suggestion. **CHAIRMAN JENT** then pointed to Page 2, Line 1, and proposed an amendment as follows: "The Governor shall appoint or reappoint the student, provided ..." **REP. FUREY** replied this sounded appropriate. Even so, in his opinion, a reappointment was still an appointment and would have to follow all the rules as mandated in statute, meaning it would need approval from the applicant's college or university as well as from MAS.

Closing by Sponsor:

REP. FUREY closed.

HEARING ON HB 166**Opening Statement by Sponsor:**

{Tape: 1; Side: B; Approx. Time Counter: 20.8}

REP. KEVIN FUREY (D), HD 91, opened the hearing on **HB 166**, Apply partisan limit to student regent. **REP. FUREY** submitted written testimony.

EXHIBIT(sth09a06)

Proponents' Testimony:

Jessica Grennan supplied written testimony.

EXHIBIT(sth09a07)

Vinnie Pavlish, Student Body Vice President, U of M, stated that students on his campus seemed to be more non-partisan than partisan; however, he felt that there were more Independents in Montana than partisan Democrats or Republicans. In his opinion, this was reflected on the Board of Regents as there were members who did not proclaim any party affiliation. He contended that the Board was to provide a mechanism outside of partisan politics. This proved to be impossible, and that was why the limit was set that no more than four members on the seven-member Board could be of one particular party. The student regent should be counted towards that total so that the limitation is met and balance could be achieved.

{Tape: 2; Side: A; Approx. Time Counter: 0 - 0.3}

Matthew Singer, Vice President, Forward Montana, claimed that past student regents were partisan, and that it seemed advantageous, during the nomination process, to be affiliated with the same party as the Governor. He felt that openness about partisan affiliation and capping the number of members from any one party provided incentive to students from other parties to apply for the position. Lastly, he expressed confidence that such a system would help shield the university system from the damages partisan politics might inflict.

Gerik Kransky, President, Forward Montana, stated that the Board of Regents was to be a decision-making body removed from partisan politics. HB 166 would effectively balance the partisan make-up of the Board by requiring that the student regent fully disclose his or her party affiliation. Montana's students deserve to know who represents their interests, and they will benefit from having a fully transparent Board of Regents that is able to develop strong and balanced policies.

Gale Price, President, ASUM, provided written testimony.
[EXHIBIT](#)(sth09a08)

Opponents' Testimony:

Connie Summers, MSU-Billings, submitted written testimony.
[EXHIBIT](#)(sth09a09)

Megan Dumas, ASMSU, echoed Ms. Summer's sentiments, adding that the student government at MSU was there to represent students and understand their issues and needs; their party affiliation was irrelevant. The student regent's job was to work for all of Montana's students, and not their respective parties. She felt that partisanship would stigmatize their decision making.

Informational Testimony:

Kala French, Student Regent, offered to answer any questions with the caveat that she would not defend or oppose HB 166.

Sheila Stearns, Commissioner of Higher Education, conveyed how few decisions come before the Board of Regents that are of a partisan nature.

Questions from Committee Members and Responses:

REP. A. OLSON asked whether MAS asked for a nominee's party affiliation during their interview. **REP. FUREY** indicated this should be answered by MAS since they dictate the process. **REP. A. OLSON** inquired what would happen if the students' choice happened to be of the wrong political party. **REP. FUREY** replied that the nominee goes through a rigorous process; if all nominations are from the same party, it just demonstrates the organization's representation. **REP. A. OLSON** hypothesized that if there were four Democrats on the Board of Regents and the student regent nominee was a Democrat, the law would prohibit him from being appointed. **REP. FUREY** circumvented the question, stating that he, as a Democrat, would not be appointed by a Republican governor. He added that this bill does not change the appointment process; it just adds transparency and openness to the process. **REP. A. OLSON** inquired if students standing for this appointment have to declare their political affiliation. **REP. FUREY** replied it was up to the student organizations if, how and when this should be done; he could not really answer the question nor was it up to the Legislature to make that decision.

REP. B. OLSON addressed Ms. Price and asked whether she had run a partisan race. **Ms. Price** stated that U of M's student newspaper,

The Kaiman, had printed the party affiliation of all candidates. She added that as a moderate, she was not sure of her own political leanings but her running mate, Mr. Pavlish declared himself a Democrat. **REP. B. OLSON** restated his question, wondering whether student election were partisan. **Ms. Price** explained that even though party politics were not out in the open, it did not mean they were not there in spirit. After her own selection by MAS fell through, she was informed that it happened due to the consensus that Governor Martz would not appoint her because of her political beliefs. **REP. B. OLSON** inquired how many students participated in the election. **Ms. Price** replied that traditionally, there is a 15% to 20% participation by the 13,500 students at U of M.

{Tape: 2; Side: A; Approx. Time Counter: 0.3 - 19.8}

REP. DICKENSON summarized that due to the provisions in HB 166, if there were four Democrats and two Republicans on the Board of Regents, the students were prohibited from nominating another Democrat; it had to be a Republican or a member of another party altogether. **REP. FUREY** confirmed this. **REP. DICKENSON** concluded that even a Democratic governor could not appoint a fellow Democrat for the position of student regent.

REP. ANDERSEN voiced concern that this provision tied the hands of the nominating entity and was highly unfair since it could prevent the best candidate from serving. **REP. FUREY** admitted that it did tie the Governor's hands but felt it made the process more fair. **REP. ANDERSEN** claimed that it did deny students fair representation if the best candidate was ineligible because of party affiliation. **REP. FUREY** countered that if MAS nominated three students from the same party they were indeed denying themselves fair representation. He doubted, though, that this would actually happen.

CHAIRMAN JENT asked Ms. French if the issue of party affiliation had come up during her interviews for the position. **Ms. French** stated that it had not, but then she did not attempt to hide her beliefs. **CHAIRMAN JENT** wondered whether students at U of M have picked one party over another. **Ms. French** replied that she had never seen concrete numbers; sometimes it seemed as if they did not really care and other times, political beliefs were readily apparent.

Closing by Sponsor:

REP. FUREY closed by saying that past student regents have been partisan and students should be able to know who is representing them.

VICE CHAIR D. BROWN stated that the committee had been privileged to hear from so many of the bright young people coming out of Montana's university system and thanked them for sharing their views on HB 165 and HB 166. She added that they were a great example of the future leaders of Montana.

(The committee recessed for 10 minutes, until 9:35 A.M., to fetch the next presenter)

(**VICE CHAIR VERONICA SMALL-EASTMAN** took over as chair since both **CHAIRMAN JENT** and **VICE CHAIR D. BROWN** had prior commitments)

HEARING ON HB 150

Opening Statement by Sponsor:

{Tape: 3; Side: A; Comments: Tape 2 Side: B left blank}

REP. KATHLEEN GALVIN-HALCRO (D), HD 26, opened the hearing on **HB 150**, Montana flags for caskets of public officials. She stated that the official's family would cover the cost of the flag.

Proponents' Testimony: none

Opponents' Testimony: none

(**VICE CHAIR D. BROWN** returned briefly; **REPS. A. OLSON** and **JACOBSON** left for other duties)

Questions from Committee Members and Responses:

VICE CHAIR D. BROWN asked why this was brought forth at this point in time. **REP. GALVIN-HALCRO** replied her father who had not been a public official had requested this during the previous session; he had since passed on, and she was requesting this bill in his honor.

Closing by Sponsor:

REP. GALVIN-HALCRO closed.

HEARING ON HB 152

Opening Statement by Sponsor:

REP. KATHLEEN GALVIN-HALCRO (D), HD 26, opened the hearing on **HB 152**, Retired firefighter cost of living adjustment. The one-time increase is designed to bring the benefits to a level of no less than 75% of the recipient's initial monthly benefit. This

provision will make the benefit of the retired firefighters equal to that of the retired police personnel.

Proponents' Testimony:

Harlan Orham, Retired Firefighters Association, stated that the most recent actuary shows 136 members of this organization fall below the 75% of purchasing power which they had upon retirement. He compared the fiscal impact resulting from HB 152 to that of the retired police officers' increased benefit, stating that the former would extend the unfunded liability for 1.1 years whereas it was 2.48 years for the latter.

Pat Clinch, Montana State Council of Professional Firefighters (MSCPFF), portrayed HB 152 as an equity bill which would bring parity to all retired officers. A prior benefit adjustment bill had attempted to correct the problem but did not bring the same equity to those retired firefighters who had gone for quite some time without an increase in benefits.

Opponents' Testimony:

Mike O'Connor, Executive Director, Montana Public Employee Retirement Administration (MPERA), advised that the Retirement Board looks at the following when considering retirement legislation: actual impact on the retirement system itself, the policy considerations, and the financial condition of the retirement plans. He was adamant that this legislation increased benefits without increasing the actual funding source, thus increasing the unfunded liability of the system; the Retirement Board refuses to support legislation which would increase the benefit without a corresponding increase in contributions to pay for that benefit. Table 5, Page 2 of the Benefit Summary Table (referred to as "Green Sheets") shows \$142 million in assets and \$228 million in actuarial liabilities, resulting in an unfunded liability of \$86 million; it would take 18.7 years to pay this off. He quoted the Board's actuary as follows: "Based on our determination of the most recent funding status in the system, and the expectation of emerging investment losses in the future, we recommend that all new legislative proposals include a provision for financing the entire cost of the proposal." **Mr. O'Connor** added that this view is shared by the Retirement Board as well as the current administration. HB 152 would increase the unfunded liability by \$3.5 million without providing the mechanism to pay for it; considering the current market conditions, this does not seem prudent. He advised that it would take a .94% increase in contributions to pay for this benefit over the course of 30 years. Lastly, he added that the Fiscal Note shows the increase in benefits for 2006 and 2007, namely

\$489,600 and \$504,288 respectively; these numbers are derived from the actuary's evaluation and result in a total increase of \$3.5 million to the retirement system.

Questions from Committee Members and Responses:

REP. DICKENSON wondered if this one-time ad hoc benefit was created, would it cause the Guaranteed Annual Benefit Adjustment (GABA) to be based on the higher level as well. **Mr. O'Connor** replied that the majority of the recipients are on GABA, and once the benefit kicks in, they will receive the 3% increase each year thereafter, based on the increased benefit. **REP. DICKENSON** asked whether the initial increase could be funded with General Fund money or would it require separate legislation. **REP. GALVIN-HALCRO** was not sure but offered to get the information.

REP. B. OLSON surmised that if the money could be taken from the General Fund, it would alleviate some of the Board's concern.

Mr. O'Connor repeated that when benefits are increased, there should be an offsetting mechanism to increase contributions.

REP. B. OLSON remarked that even though this was a one-time increase, it had consequences, namely the re-occurring cost of the 3% annual increase was now based on the new higher level.

REP. HAMILTON stated that the Fiscal Note estimates the average increase to be about \$300 per month and asked what the current benefit value was and how many people were affected by this legislation. **Mr. O'Connor** advised that Table 3 shows there are 498 retired firefighters receiving an average of \$1,913 per month. **REP. HAMILTON** surmised that 136 retired firefighters have a lower monthly benefit than the 498 listed which **Mr. O'Connor** confirmed.

REP. DICKENSON asked Mr. Orham to comment on how retired firefighters are managing to live on their benefits and how this bill would change their situation. **Mr. Harlan** stated that any raise was welcome; he explained that even for retired officers, an escalator did not kick in until their retirement benefits equaled 50% of their original salary in the city they served. Consequently, some of them had to wait several years before there was any raise; he charged that HB 152 addressed and corrected this issue.

REP. HENDRICK wondered if this bill extended to volunteer firefighters which the sponsor denied.

REP. BRUCE MALCOLM, HD 61, EMIGRANT, recounted that this proposal is costing roughly \$500,000 per year and wondered how long this

would impact the General Fund in terms of the retiree's life expectancy. **Mr. O'Connor** replied that an actuary looks at every individual retiree and works with the mortality assumption adopted by the Board. An experience study had been done this past fiscal year to assure these assumptions are correct.

Closing by Sponsor:

REP. GALVIN-HALCRO closed by saying this bill affects 136 retired firefighters who are living at 50% of purchasing power, and its fiscal impact was small compared to the years of service they had given.

{Tape: 3; Side: B}

(**CHAIRMAN JENT** returned briefly; **VICE CHAIR D. BROWN** and **REPS. A. OLSON** and **JACOBSON** were not present; a 15-minute recess was announced)

Upon reconvening, **CHAIRMAN JENT** took some time explaining the procedure and technicalities of Executive Action to the freshman legislators on the committee.

EXECUTIVE ACTION ON HB 18

Motion: **REP. HENDRICK** moved that HB 18 DO PASS.

Discussion:

VICE CHAIR SMALL-EASTMAN provided Amendment HB001801.ace.
[EXHIBIT](#)(sth09a10)

Motion: **REP. HENDRICK** moved that **AMENDMENT HB001801.ACE** BE ADOPTED.

Discussion:

VICE CHAIR SMALL-EASTMAN summarized the amendment's effect on the bill.

REP. B. OLSON asked for the rationale of adding a member of the Governor's Office of Economic Development to the commission.

REP. HAMILTON stated that it had been requested by Evan Barrett.

REP. MACLAREN remarked that he opposed the provision extending the commission's term from two to four years because of the commission's minimal success so far and would not vote in favor of the amendment. He felt it should be re-visited by the next Legislature.

REP. JONES also voiced opposition to the amendment; he wanted to encourage the commission to show viable progress before extending their term.

REP. DICKENSON favored the term extension; she added that in this era of instant results and short deadlines, it was easy to overlook the fact that some cultures do not operate this way. She felt the commission had taken time to build trust, direction, and collaboration, and a two-year term seemed like an artificial imposition on the process; a four-year term was not unreasonable.

REP. ANDERSEN asked how long this commission had been in existence and was told it had been five years. **REP. ANDERSEN** advised that taking this into consideration, she favored a two-year term and re-examination by the next Legislature.

Vote: Motion that **AMENDMENT HB001801.ACE BE ADOPTED** carried 9-7 by roll call vote with **REPS. ANDERSEN, BROWN, HENDRICK, JONES, MACLAREN, MALCOLM, and OLSON** voting no. **REPS. BROWN, ANDERSEN, JACOBSON and A. OLSON** voted by proxy.

Motion: **REP. HENDRICK** moved that **HB 18 DO PASS AS AMENDED.**

Discussion:

REP. MALCOLM stated he had served on an Indian tribal relations interim committee and had mixed emotions about this; he understood **REP. DICKENSON'S** sentiment but it bothered him that there was nothing tangible to show for the five years the commission had been in existence. He charged the reduction in the number of members needed for a quorum lay in the fact that it was difficult to have people show up for the meetings. He advised he would not vote for the bill because he wanted to send a message, saying it could always be revisited if there were positive changes.

REP. HENDRICK disagreed with **REP. MALCOLM**: as the Mayor of Superior, he witnessed first-hand the struggle to achieve economic development and saw how difficult it was to get a group together time after time, through failures and successes; he favored giving the commission a chance. He voted against the amendment, thereby sending the message that the committee wanted to see some action.

REP. B. OLSON explained the rationale behind the reduction (from seven to six) for a quorum was based on the constitution (51 of 100 could pass a law), saying that six members out of 11 could make the decisions and the rest had better be there or they will be left behind.

REP. EATON stated that doing away with the commission would mean nullifying the progress that had been made. There might not be tangible results, namely new jobs, but progress has been made towards the objective of economic development.

{Tape: 4; Side: A}

REP. DICKENSON pointed to Andy Poole's testimony, particularly his naming of the five positives which have come out of the commission's work: one was the creation and subsequent success of S & K Electronics. She agreed with some of the prior statements as to not wanting to waste time and money on studies but maintained this was the legwork needed to get things accomplished.

REP. HAMILTON stated that sending a negative message could be damaging; progress had been made, and the potential for economic development on the reservations was huge and should not be ignored.

REP. TERESA HENRY, HD 96, MISSOULA, spoke in favor of the bill in view of the public health work she had done; in this arena as well it was often difficult to get people to come together and accomplish common goals.

Vote: Motion that HB 18 DO PASS AS AMENDED carried 11-5 by roll call vote with REPS. ANDERSEN, BROWN, MACLAREN, MALCOLM, and A. OLSON voting no; REPS. BROWN, A. OLSON, JACOBSON and JENT voted by proxy.

EXECUTIVE ACTION ON HB 114

Motion: REP. ANDERSEN moved that HB 114 DO PASS.

Discussion:

REP. B. OLSON advised that this was a big issue to his county commissioners since Flathead County encompasses a lot of state lands with roads passing through; they would appreciate more time to file and pay for the right-of-way.

REP. HENDRICK also endorsed the concept of HB 114, saying that Sanders and Mineral counties are surrounded by 87% federal lands.

REP. ANDERSEN referred to her notes and wondered if there should not be an amendment. **VICE CHAIR SMALL-EASTMAN** sought Ms. Heffelfinger's advice. **Ms. Heffelfinger** explained an amendment was not needed to simply change the termination date of the

commission as it was changed in the bill under Section (3) of the bill.

REP. HENRY wondered if the sponsor agreed that an amendment was not needed. **Ms. Heffelfinger** pointed out that it was Gordon Morris (MACo) who had handed out an amendment because the Department of Natural Resources and Conservation (DNRC) was under the impression that it was needed. These parties, however, were not familiar with the bill drafting and code processes; the request had not come from the sponsor, **REP. WITT**.

REP. DICKENSON was concerned with utility right-of-ways, such as transmission lines, and wondered if counties were best served by a lengthy process or by easier and quicker negotiations, knowing that once the deadline for applications had passed, a host of compliance requirements would become necessary.

REP. B. OLSON advised that the entities involved were counties versus state; private individuals and property did not enter into this. He added that the utilities were on target to meeting the original deadline; his concern was that counties who had never paid for access to the public lands would have time to get the funds to pay for this mandate. He observed that utility companies would merely raise rates to pay for this.

Vote: Motion HB 114 carried unanimously by voice vote; **REPS. BROWN, A. OLSON, JACOBSON and JENT** voted aye by proxy.

Motion/Vote: **REP. HENRY** moved that HB 114 BE PLACED ON THE CONSENT CALENDAR. Motion carried unanimously.

EXECUTIVE ACTION ON HB 150

Motion/Vote: **REP. HENDRICK** moved that HB 150 DO PASS. Motion carried unanimously by voice vote; **REPS. BROWN, A. OLSON, JACOBSON and JENT** voted aye by proxy.

Motion/Vote: **REP. HENRY** moved that HB 150 BE PLACED ON THE CONSENT CALENDAR. Motion carried unanimously.

EXECUTIVE ACTION ON HB 152

Motion: **REP. DICKENSON** moved that HB 152 DO PASS.

Motion: **REP. JONES** moved to delay action on HB 152.

Discussion:

REP. B. OLSON concurred because of the considerable amount of money this would cost; he intends to talk to the firefighters in his district.

REP. HENDRICK reminded the committee that this bill does not affect volunteer firefighters found in most small communities.

REP. JONES expressed concern that four of the more experienced committee members who were absent should be afforded the opportunity to participate in the decision-making.

REP. DICKENSON withdrew the motion.

EXECUTIVE ACTION ON HB 166

Motion: **REP. HENDRICK** moved that HB 166 DO PASS.

Motion: **REP. JONES** moved to delay action on HB 166.

REP. HENDRICK withdrew the motion.

ADJOURNMENT

Adjournment: 11:10 A.M.

REP. LARRY JENT, Chairman

MARION MOOD, Secretary

LJ/MM

Additional Exhibits:

EXHIBIT ([sth09aad0.PDF](#))